

The Gazette of India



ॐ नमो भगवते वासुदेवाय

EXTRAORDINARY

PART I—Section 1

PUBLISHED BY AUTHORITY

No. 58]

NEW DELHI, MONDAY, APRIL 23, 1962/VAISAKHA 3, 1884

MINISTRY OF COMMERCE & INDUSTRY

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 23rd April, 1962

SUBJECT.—*Import of Capital goods from Japan under the Second Yen Credit.*

No. 41-ITC(PN)/62.—In partial modification of the Public Notice No. 141-ITC(PN)/61, dated the 26th December, 1961, about import of capital equipment from Japan under the Second Yen Credit, it is notified for information of importers that the contracts with Japanese suppliers could be either on c. and f. or c.i.f. basis as may be convenient. Any customary performance guarantee required may be settled by negotiation with the supplier.

2. For the guidance of the importers the conditions for licensing under the Second Yen Credit are indicated below:—

1. Payment for the goods can be effected only under a confirmed irrevocable letter of credit opened on a specified Japanese bank through the importer's bank in India.
2. The letter of credit which should be in the approved form would provide for payment by the Japanese bank against the Second Yen Credit. No foreign exchange remittance from India will be permitted.
3. The contracts may be on c. and f. or c.i.f. basis.
4. As and when payments are made by the Japanese bank to the Japanese exporter, the Indian importer should deposit the rupee equivalent of the yen payments calculated at the IMF parity rate on the date of the yen payments, to Government account through the State Bank of India, New Delhi. Interest @ 6% p.a. will be payable from the date of payment to the Japanese supplier to the date of deposit of rupee equivalent by the importer into Government account.
5. The contract should normally provide for payment on cash basis i.e., on presentation of shipping documents. Customary performance required may be settled by negotiation with the exporter. Contracts on the basis of deferred payments can be considered only in exceptional cases, and if the value of equipment exceeds Rs. 1.5 crores. The foreign exchange remittance from India for payment of interest on such deferred payment contracts will be permitted. In no instance can payments after 31st March, 1966, be allowed.
6. The following special clauses should be incorporated in the contract:—
“(a) This export-import contract is arranged in accordance with the Loan Agreement dated the 18th August, 1961, concerning the Second Yen Credit to India

- (b) This export-import contract shall become effective upon the approval of the Government of India and the Government of Japan.
- (c) Payments in Yen under this contract to the exporter will be made under a confirmed irrevocable letter of credit opened in the form attached on a Japanese bank designated for the purpose through the importer's bank in India.
- (d) The exporter hereby agrees to furnish such information and documents required under the Yen Credit arrangement by the Government of India and the Japanese participating banks.
- (e) The exporter hereby agrees to furnish a report to the Embassy of India, Tokyo, immediately after shipment of the shipping arrangements along with one copy of the invoice and one copy of the Bill of Lading."

NOTE.—The form for irrevocable letter of credit is notified as Appendix II, to Public Notice No. 141-ITC(PN)/61, dated the 26th December, 1961.

K. T. SATARAWALA,
Chief Controller of Imports and Exports.